REMARKS

Claims 1-56, 59, and 61-70 are currently pending. With this amendment, claims 5-7, 13-18, 46, and 61-67 have been cancelled and new claims 71-74 have been added. Reconsideration of the present application in view of the remarks that follow is respectfully requested.

In the Final Office Action dated December 1, 2006, claims 1-56, 59, and 61-70 were rejected under 35 U.S.C. § 103(a) as being unpatentable over information retrieved from the Metropolitan Regional Information Systems, Inc. ("MRIS") in light of *Modern Real Estate Practice* by Galaty, *et al* ("Galaty"). The seminal case directed to application of 35 USC §103 is *Graham v. John Deere*, 383 U.S. 1, 148 USPQ 459 (1966). From this case, four familiar factual inquiries have resulted. The first three are directed to the evaluation of prior art relative to the claims at issue, and the last is directed to evaluating evidence of secondary considerations. See, MPEP §2141. From these inquiries, the initial burden is on the Patent Office to establish a *prima facie* case of obviousness for which three basic criteria must be met. "First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference (or references when combined) must teach or suggest all the claim limitations. The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, and not based on applicant's disclosure." MPEP §2142 (citing *In re Vaeck*, 947 F.2d 488, 20 USPQ2d 1438 (Fed. Cir. 1991)).

Claim 1, as amended, recites among other elements:

- establishing one or more decision making authorities/access entities to control said private easements as privately owned entities separate from individual lot

owners in said developed community and to identify and contract with various service providers;

- precluding access to said private easements by individual lot owners in said developed community and governmental franchisees for providing said common services; and

- providing said common services to said developed community through said one or more decision making authorities/access entities, said one or more decision making authorities/access entities obtaining common services from one or more common services providers, respectively

The Final Office Action and the Advisory Action mailed March 8, 2007 fail to address and make no attempt to explain where the above referenced claim limitations are disclosed in either or both of MRIS or Galaty. There has been no positive showing where the limitations may be found in MRIS or Galaty. Even giving such terminology its broadest reasonable meaning, the references relied on, MRIS and Galaty, fail to disclose these features.

The Office Action states "MRIS teaches lists of homes available for sale and rent by owners and listed by the real estate agents in the MRIS system which include information of what facilities and utilities are covered by the Home Owner Association Fee..." The Office Action fails to explain the relevance of that statement. This is contrary to claim 1 because a Homeowner Association is made up of the respective homeowners and is not "one or more decision making authorities/access entities to control said private easements as **privately owned entities separate from individual lot owners.**" Even assuming *arguendo* that a Homeowner's Association can be considered to be a decision making authority to control the private easements as privately owned entities, claim 1 further requires "precluding access to said private easements

by individual lot owners in said developed community and governmental franchisees for providing said common services." Therefore, even if the Homeowner's Association was a decision making authority, the Homeowner's Association is formed by homeowners or the respective lot owners and thus would not be precluded access to the private easements as required by claim 1. Additionally, nothing in either MRIS or Galaty discloses, teaches, or suggests the limitations discussed above. Therefore, for at least these reasons claim 1, as amended, is believed to be in condition for allowance and such allowance is respectfully requested.

Additionally, Applicant respectfully traverse the Examiner's arguments that "it is inherent that MRIS in view of Galaty teaches precluding access to said private easements by individual lot owners..." and that it is "Galaty teaches providing said common services (electricity, gas) to said developed community(villa Ridge) through said one or more decision making authorities/access entities (condominium Association)..." For an element to be inherently disclosed, it must "necessarily be present in the thing described in the reference, and that it would be so recognized by persons of ordinary skill." In re Robertson, 49 USPQ2d 1949, 1950-51 (Fed. Cir. 1999) (citing Continental Can Co. v. Monsanto Co., 948 F2d 1264, 1268 (Fed. Cir. 1991)). Indeed, inherency "may not be established by probabilities or possibilities . . .The mere fact that a certain thing may result from a given set of circumstances is not sufficient." 49 USPQ2d at 1951. "In relying upon the theory of inherency, the examiner must provide a basis in fact and/or technical reasoning to reasonably support the determination that the allegedly inherent characteristic *necessarily* flows from the teachings of the applied prior art." Ex parte Levy, 17 USPQ2d 1461, 1464 (USPTO Bd. of Pat. App. and Interferences 1990) (emphasis in

the original). Applicant respectfully requests the Examiner to particularly point out were Galaty teaches precluding access to said private easements by individual lot owners.

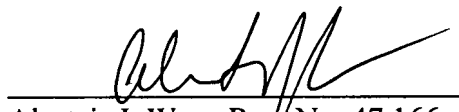
All remaining claims, namely 2-4, 8-12, 19-45, 47-56, 59, and 68-70, depend directly or indirectly from claim 1. For the same reasons discussed above with respect to claim 1, claims 2-4, 8-12, 19-45, 47-56, 59, and 68-70 are believed to be in condition for allowance and such allowance is respectfully requested.

New claims 71-74 have been added and are submitted to be fully supported by the subject application. New claims 71-74 were added to further define features of the invention. Neither Galaty nor MRIS either alone or combined disclose, teach or suggest "...segregating easements for common services from easements for public rights-of-way...establishing private control over easements for common services through one or more decision making authorities/access entities, said one or more decision making authorities being separate from said lot owners and municipality/government entity; and providing common services to individual lot owners through said one or more decision making authorities/access entities" as required by new claim 71. Specifically, both references fail to disclose segregating easements for common services from easements for public rights-of-way. Additionally, as discussed above with reference to claim 1, a homeowners' association (HOA) or condo owners' association (COA) are both made up of respective lot or condo owners and are not a decision making authority/access entity which is separate from a lot owner. Therefore claim 71 is believed to be in condition for allowance and such allowance is respectfully requested.

New claims 72-74 depend from new claim 71 and are allowable for at least the reasons submitted above for claim 71, and recite features not disclosed or suggested in the cited references.

In view of the foregoing remarks, it is respectfully submitted that the Applicants' application is in condition for allowance. Reconsideration of the subject application is respectfully requested. Timely action towards a Notice of Allowability is hereby solicited. The Examiner is encouraged to contact the undersigned by telephone to resolve any outstanding matters concerning the subject application.

Respectfully submitted,



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